

March 9, 2021

Chair Youakim

Members of the House Property Tax Division

Re: Support for HF 1736 (Fischer) Tax increment financing; increment use flexibility provided, redevelopment district five-year rule extended, and local sales tax proceed use flexibility provided.

Chair Youakim and members of the House Property Tax Division,

I write on behalf of the Municipal Legislative Commission (MLC), a coalition of 19 suburban cities, in support of <u>HF 1736 (Fischer)</u>. HF 1736 provides flexibility for cities to use TIF to spur development and increase affordable housing in their communities.

During previous instances of economic volatility and hardship, the state Legislature has allowed for greater TIF flexibility for municipal governments. Over the last year of the pandemic, cities and the businesses within them have faced numerous financial challenges. HF 1736 provides cities with financing tools to ensure development projects that rely on tax increment financing are able to move forward and be completed.

Additionally, the pandemic has highlighted the significant need for more affordable housing in our region. HF 1736 provides additional tools for cities to boost investment in housing.

Thank you for your time, and we respectfully ask that you support Rep. Fischer's HF 1736.

Thank you,

James Hovland Mayor, City of Edina President, MLC